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## Exhibit 7

# **Apportionment Assessment of Patent '205** Hybrid code execution

<u>Pa</u>	atent Functionality	
•	The '205 patent invention is related to Just-In-Time (JIT) compilation in an environment that	[1]
	can both interpret bytecode or execute corresponding native instructions.	[-1
•	The '205 patent provides a way to improve execution speed selectively using native code	[2]
	instead of interpreted bytecode (inlining).	[-]
<u>Contemporaneous Evidence</u>		
•	"Up until Android 2.2 (Froyo) the JVM (really a Dalvik JVM for licensing reasons) on the	[3]
	Android platform was playing with one hand tied behind its back."	[ا
•	"Ran them all through Linpack, and the numbers hold up. We're seeing scores on Android 2.2	[4]
	that are 600 percent or so higher than on Android 2.1."	[+]
•	"We added a Just In Time (JIT) compiler to the Dalvik VM. The JIT is a software component	
	which takes application code, analyzes it, and actively translates it into a form that runs faster,	
	doing so while the application continues to run On the performance front in particular, we	[5]
	have seen realistic improvements of 2x to 5x for CPU-bound code, compared to the previous	[2]
	version of the Dalvik VM. This is equivalent to about 4x to 10x faster than a more traditional	
	interpreter implementation."	
•	Regarding the JIT, Qualcomm noted that "[t]he performance improvement up to 5x is quite	[6]
	exciting."	[6]
Benchmarking Evidence		
•	Vandette report performance benchmark testing shows as much as 3.3 times execution speed	[7]
	improvement.	[7]
•	Linpack testing shows a five fold increase when enabling the '205 patent. This test reflects the	
	performance of the Android Dalvik Virtual Machine. Since applications run on this virtual	[8]
	machine, it is also a measure of application performance.	
•	The benchmarking generated to date does not quantify the impact of the inlining claim on	[0]
	performance.	[9]
<u>E</u>	conometric Analysis	
•	Willingness to pay analysis provides evidence that consumers value performance features	[10]
	enabled by patents '104 and '205 as measured by Linpack.	[10]
•	Speed improvement driven by patent '104 and '205 is associated with an average \$31-\$37	F1 1 1
	increase in consumer's willingness to pay for handsets.	[11]
•	Consumers are less likely to purchase handsets with lower performance.	[12]
•	Analysis suggests patent apportionment in the range of 30% - 40%.	[13]
C	onjoint Analysis	
•	Analysis suggests that consumers value faster phones.	[14]
•	The '205 patent does not improve application launch times by itself.	[15]
	1 11	

## **Opinion**

- 25% apportionment
- Estimated patent damages after U.S. adjustment: \$168.2 million

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# Exhibit 7 (continued) **Apportionment Assessment of Patent '205 Hybrid code execution**

## Sources:

- [1] Mitchell Patent Report, p. 32.
- [2] Mitchell Patent Report, p. 39.
- [3] See, e.g., http://developer.android.com/sdk/android-2.2-highlights.html (advertising, for Android 2.2 Platform Highlights, "Improved performance," including 2x-5x performance speedup for CPU-heavy code over Android 2.1 with Dalvik JIT); http://www.javarants.com/2010/05/26/android-dalvik-vmperformance-is-a-threat-to-the-iphone/
- [4] http://www.androidcentral.com/benchmarking-android-22-froyo-against-android-21-eclair (Benchmarking Android 2.2 (Froyo) and the JIT against Android 2.1 (Éclair)
- [5] "Dalvik JIT," Android Developers Blog, May 25, 2010, accessed at http://androiddevelopers.blogspot.com/2010/05/dalvik-jit.html
- [6] GOOGLE-61-00012446 (e-mail thread from April 20, 2009, between Qualcomm employees and Google employees.
- [7] Vandette Report, p. 24.
- [8] Exhibit 3
- [9] See Vandette Report; See Vandette Report ¶ 61-62
- [10] See Appendix C.
- [11] See Appendix C.
- [12] See Appendix C.
- [13] See Appendix C.
- [14] See Shugan report.
- [15] Exhibit 4